Privatization/joint venture of PUs

2487. DR. K. MALAISAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what is the policy of Governmet in privatization or joint venture of public undertakings;

(b) whether it is a fact that well run profit making units are proposed much against the opposition of Trade Unions; and

(c) will it not be desirable to implement the policy in respect of loss making units leaving the profit making and prestigious undertakings?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (c) The main features of the Government policy regarding disinvestment of Government's equity in Central Public Sector Enterprises (CPSEs) is as follows:

(i) All privatizations to be considered on a transparent and consultative case-by-case basis.

(ii) Existing "navratna" companies to be retained in the Public Sector.

(iii) Private industry to be inducted to turn around companies that have potential for revival.

(iv) Chronically loss-making companies will either be sold-off, or closed, after all workers have got their legitimate dues and compensation.

There has been no case of strategic sale/privatization since May, 2004.

Functioning of SEZs

†2488. SHRI RAM JETHMALANI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the units functioning in Special Economic Zones (SEZs) of the country are not only exporting their products, but, also doing business of selling their products in the domestic market of the country;

(b) if so, the actual amount of sale in the year 2005-06, 2006-07 and upto January, 2007-08 by these units in domestic as well as international market respectively; and

(c) whether any compulsory limit for selling their products in the international market has been prescribed for these units, and if so, the quantity of products to be exported compulsorily?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) The Special Economic Zones (SEZs) are under obligation to achieve positive Net Foreign Exchange (NFE) earnings over a period of 5 years, failing which penalties are leviable. The SEZ Act, 2005 provides for domestic clearance by units in SEZ on payment of chargeable duties of customs including Anti-dumping, Countervailing and safeguard details under the Customs

† Original notice of the question was received in Hindi.